

Dear Mr. Secretary:

I hereby transmit House File 732, an Act relating to housing development and making an appropriation.

House File 732 is an important bill that will provide additional assistance to provide affordable housing in communities with critical needs. The bill is estimated to provide in excess of \$21 million for housing improvement projects over the next five years. The bill will also expand the housing that qualifies for urban revitalization tax exemptions.

House File 732 is, therefore, approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the items designated as sections 7 and 8, in their entirety. These items would reduce the applicability of the state thermal efficiency energy conservation standards to construction of residential housing. Energy efficiency makes economic sense during the new construction of a home, and compliance with such standards is now required for the housing programs under the Federal Housing Administration, the Department of Agriculture, and the Department of Veteran's Affairs. The current standards provide important safeguards to home buyers and contribute to the state's effort to conserve energy.

For the above reason, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 732 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, Governor

CHAPTER 215

APPROPRIATIONS — INFRASTRUCTURE AND CAPITAL PROJECTS

H.F. 733

AN ACT making appropriations from the rebuild Iowa infrastructure fund to the departments of cultural affairs, general services, economic development, public defense, natural resources, revenue and finance, public safety, education, transportation, workforce development, and agriculture and land stewardship, and to the commission of veterans affairs, Loess Hills development and conservation authority, state fair foundation, and state board of regents, making an appropriation of marine fuel tax receipts from the general fund of the state, and making statutory changes relating to the appropriations.

Be It Enacted by the General Assembly of the State of Iowa:

**DIVISION I
DEPARTMENT OF CULTURAL AFFAIRS**

Section 1. There is appropriated from the rebuild Iowa infrastructure fund to the department of cultural affairs for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. For the completion of undeveloped exhibit space at the new historical building:
..... \$ 500,000

2. For allocation to an Iowa project that has received a national endowment for the humanities award for the museum and discovery center:

..... \$ 500,000

3. For a feasibility study by the city of Burlington regarding the construction of a replica of the first territorial capitol of Iowa:

..... \$ 25,000

Allocation of moneys pursuant to this subsection shall be contingent upon a matching contribution of private moneys at a rate of two dollars of private moneys for each dollar of state appropriated moneys.

Notwithstanding section 8.33, the unencumbered or unobligated moneys remaining on June 30 of the fiscal year from moneys appropriated in this section may be expended during the following fiscal year for the same purpose.

DEPARTMENT OF GENERAL SERVICES

Sec. 2. There is appropriated from the rebuild Iowa infrastructure fund to the department of general services for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For major maintenance needs including health, life, and fire safety, for compliance with the federal Americans with Disabilities Act for state-owned buildings and facilities:

..... \$ 7,000,000

2. For critical and deferred maintenance at Terrace Hill:

..... \$ 100,000

As a condition of receiving this appropriation made in this subsection, private matching funds must be contributed on a dollar-for-dollar basis.

3. For relocation of offices and other transition costs associated with renovation of the Lucas state office building and the old historical building:

..... \$ 1,300,000

*4. For relocating the state library:

..... \$ 1,000,000*

5. To fund the state share of the capitol gateway east development project in conjunction with the city of Des Moines:

..... \$ 50,000

6. For the installation of storm drainage, grading, new asphalt, new lighting, and striping of capitol complex parking lots 4 and 5 in accordance with capitol complex renovation plans, provided that not more than \$450,000 shall be used for lot 4 and not more than \$105,000 shall be used for lot 5, and provided that existing capitol complex construction plans do not conflict with the parking lot improvements:

..... \$ 555,000

7. For filling cracks, resurfacing, new handicapped parking signs which comply with the provisions of chapter 321L, as amended by 1997 Iowa Acts, House File 688,** and striping capitol complex parking lots 13 and 15 in accordance with capitol complex renovation plans, provided that not more than \$100,750 shall be used for lot 13 and not more than \$75,000 shall be used for lot 15, and provided that existing capitol complex construction plans do not conflict with the parking lot improvements:

..... \$ 175,750

8. For the design and construction of new or replacement buildings at the state training school by allocating not more than \$1,600,000 for design and construction of a living unit, allocating not more than \$800,000 for design and construction of a multipurpose building, and allocating not more than \$200,000 for the design of a new school building:

..... \$ 2,600,000

* Item veto; see message at end of the Act

** Chapter 70 herein

9. For renovation of an existing cottage to provide additional beds for females at the Toledo juvenile home:

..... \$ 350,000

10. For conducting a survey of the condition of state-owned property:

..... \$ 500,000

The department shall report on the progress of the vertical infrastructure survey and provide an accounting of how the appropriation in subsection 1 was spent to the joint transportation, infrastructure and capitals appropriations subcommittee not later than February 1, 1998.

Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30, 2002, from the funds appropriated in this section, shall revert to the rebuild Iowa infrastructure fund on August 31, 2002.

Sec. 3. 1996 Iowa Acts, chapter 1218, section 13, is amended to read as follows:

SEC. 13.

1. There is appropriated from the rebuild Iowa infrastructure fund of the state to the department of general services for the fiscal period beginning July 1, 1996, and ending June 30, ~~1999~~ 1998, the following amounts, or so much thereof as is necessary, to be used for the projects in the amounts and for the fiscal years as designated in subsection 2:

a. For the fiscal year beginning July 1, 1996, and ending June 30, 1997:

..... \$ 20,700,000

b. For the fiscal year beginning July 1, 1997, and ending June 30, 1998:

..... \$ 14,600,000

..... 14,540,000

~~e. For the fiscal year beginning July 1, 1998, and ending June 30, 1999:~~

~~..... \$ -3,000,000~~

2. a. For exterior state capitol building restoration:

(1) For the fiscal year beginning July 1, 1996, and ending June 30, 1997:

..... \$ 9,300,000

(2) For the fiscal year beginning July 1, 1997, and ending June 30, 1998:

..... \$ 7,600,000

..... 4,400,000

b. For interior state capitol building restoration:

(1) For the fiscal year beginning July 1, 1996, and ending June 30, 1997:

..... \$ 2,800,000

(2) For the fiscal year beginning July 1, ~~1998~~ 1997, and ending June 30, ~~1999~~ 1998:

..... \$ 2,300,000

..... 3,140,000

c. For renovation of the old historical building:

(1) For the fiscal year beginning July 1, 1996, and ending June 30, 1997:

..... \$ 5,400,000

** (2) For the fiscal year beginning July 1, 1997, and ending June 30, 1998, provided that not more than \$1,800,000 may be allocated for construction of a tunnel between the old historical building and the capitol and provided that the remaining \$2,300,000 shall only be obligated or expended on or after July 1, 1998:*

..... \$ 4,100,000*

d. For renovation of the Lucas tunnel, provided that existing capitol complex construction plans do not conflict with the renovation:

(1) For the fiscal year beginning July 1, 1996, and ending June 30, 1997:

..... \$ 100,000

(2) For the fiscal year beginning July 1, 1997, and ending June 30, 1998:

..... \$ 400,000

e. For renovation of the Lucas state office building:

(1) For the fiscal year beginning July 1, 1996, and ending June 30, 1997:

* Item veto; see message at end of the Act

.....	\$	3,100,000
(2) For the fiscal year beginning July 1, 1997, and ending June 30, 1998:		
.....	\$	2,500,000
Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30, 2001 2002, from the funds appropriated in this section shall revert to the rebuild Iowa infrastructure fund of the state on August 31, 2001 2002.		

Sec. 4. There is appropriated from the rebuild Iowa infrastructure fund to the department of general services for the fiscal year beginning July 1, 1998, and ending June 30, 1999, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For exterior state capitol building restoration:	\$	4,400,000
2. For interior state capitol building restoration:	\$	4,200,000
3. For conducting a survey of the condition of state-owned property:	\$	500,000
4. For the design and construction of new or replacement buildings at the state training school by allocating not more than \$2,300,000 to complete construction of the new school building and allocating not more than \$400,000 for the design of the new gymnasium building:	\$	2,700,000
5. For repair of capitol complex parking lots in accordance with capitol complex renovation plans:	\$	1,500,000
6. For relocating the state library:	\$	4,000,000

Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30, 2003, from the funds appropriated in this section, shall revert to the rebuild Iowa infrastructure fund on August 31, 2003.

Sec. 5. There is appropriated from the rebuild Iowa infrastructure fund to the department of general services for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For construction of a new gymnasium building at the state training school:	\$	4,000,000
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Sec. 6. The department of general services, after consulting with the appropriate committee designated by the legislative council, shall contract with a private person with experience in evaluating the renovation and repair needs of vertical infrastructure as defined in section 8.57, subsection 5, paragraph "c", to conduct the survey of the condition of state-owned property.

DEPARTMENT OF ECONOMIC DEVELOPMENT

Sec. 7. There is appropriated from the rebuild Iowa infrastructure fund to the department of economic development for the fiscal period beginning July 1, 1997, and ending June 30, 1998 1999,** the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the fiscal year beginning July 1, 1997, and ending June 30, 1998:		
a. For a welcome center at living history farms:	\$	500,000
b. For the historical site preservation grant program:	\$	500,000

* Item veto; see message at end of the Act

** "June 30, 1999" probably intended

c. For construction of a China-Des Moines trade and cultural center:

..... \$ 150,000

*d. For the main street investments loan program, notwithstanding section 8.57, subsection 5, paragraph "c":

..... \$ 200,000*

2. For the fiscal year beginning July 1, 1998, and ending June 30, 1999:

*a. For the historical site preservation grant program:

..... \$ 2,500,000*

b. For a welcome center at Okoboji:

..... \$ 200,000

Notwithstanding section 8.33, the unencumbered or unobligated moneys remaining on June 30 of the fiscal year from the moneys appropriated in this section may be expended during the following fiscal year for the same purpose.

Sec. 8. 1996 Iowa Acts, chapter 1218, section 55, unnumbered paragraph 1, is amended to read as follows:

There is appropriated from the rebuild Iowa infrastructure fund of the state, notwithstanding section 8.57, subsection 5, paragraph "c", to the Iowa department of economic development for the fiscal years beginning July 1, 1996, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, to be deposited in the physical infrastructure assistance fund created in section 15E.175 and used only in accordance with subsection 3, provided that the department, to the best of its abilities, expend the funds on projects which meet the definition of vertical infrastructure:

*Sec. 9. 1996 Iowa Acts, chapter 1218, section 55, subsection 2, is amended to read as follows:

2. For the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount:

..... \$ 6,100,000
4,130,000*

DEPARTMENT OF PUBLIC DEFENSE

Sec. 10. There is appropriated from the rebuild Iowa infrastructure fund to the department of public defense for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For maintenance and repair of national guard armories and facilities:

..... \$ 400,000

Notwithstanding section 8.33, the unencumbered or unobligated moneys remaining on June 30 of the fiscal year from the moneys appropriated in this section may be expended during the following fiscal year for the same purpose.

DEPARTMENT OF NATURAL RESOURCES

Sec. 11. There is appropriated from the marine fuel tax receipts deposited in the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the purpose of funding capital projects funded from marine fuel tax receipts for the purposes specified in section 452A.79:

..... \$ 1,800,000

Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30, 1998, from the funds appropriated in this section, shall revert to the general fund of the state on August 31, 1998.

* Item veto; see message at end of the Act

STATE DEPARTMENT OF TRANSPORTATION

Sec. 12. There is appropriated from the rebuild Iowa infrastructure fund to the state department of transportation for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For allocating \$75,000 for the Nishna Valley trail project at Anita state park and for acquiring, constructing, and improving recreational trails within the state:

..... \$ 1,000,000

2. For funding, on a matching basis, recreational trail projects, with priority given to completion of trail connections and sections between existing trails and parks within the established state recreational trails system:

..... \$ 1,000,000

Projects funded in subsection 2 shall be matched by one dollar of private or other funds for each three dollars of state funds.

The department may, upon proper documentation from the governmental subdivision, pay the state's share of a project directly to the contractor undertaking the project.

Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30 of the fiscal year from funds appropriated in this section shall not revert to the rebuild Iowa infrastructure fund but shall remain available for expenditure for the same purpose during the following fiscal year.

Sec. 13. There is appropriated from the rebuild Iowa infrastructure fund to the state department of transportation for the fiscal year beginning July 1, 1998, and ending June 30, 1999, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For acquiring, constructing, and improving recreational trails within the state:

..... \$ 1,000,000

2. For funding, on a matching basis, recreational trail projects, with priority given to completion of trail connections and sections between existing trails and parks within the established state recreational trails system:

..... \$ 1,000,000

Projects funded in subsection 2 shall be matched by one dollar of private or other funds for each three dollars of state funds.

The department may, upon proper documentation from the governmental subdivision, pay the state's share of a project directly to the contractor undertaking the project.

Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30 of the fiscal year from funds appropriated in this section shall not revert to the rebuild Iowa infrastructure fund but shall remain available for expenditure for the same purpose during the following fiscal year.

DEPARTMENT OF REVENUE AND FINANCE

Sec. 14. Notwithstanding section 8.57, subsection 5, paragraph "c", there is appropriated from the rebuild Iowa infrastructure fund to the department of revenue and finance for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For upgrades to the Iowa financial accounting system, provided that none of the moneys appropriated in this section shall be used for personnel expenses not associated with the installation of the upgrades to the system or for training expenses:

..... \$ 1,875,000

DEPARTMENT OF PUBLIC SAFETY

Sec. 15. Notwithstanding section 8.57, subsection 5, paragraph "c", there is appropriated from the rebuild Iowa infrastructure fund to the department of public safety for the fiscal

period beginning July 1, 1997, and ending June 30, 2000, the following amount, or so much thereof as is necessary, to be used for the conversion of the department of public safety's radio system from analog to digital technology, provided that none of the moneys appropriated in this section shall be used for personnel expenses not associated with the installation of the radio system or for training expenses:

- 1. For the fiscal year beginning July 1, 1997, and ending June 30, 1998:
..... \$ 1,897,786
- 2. For the fiscal year beginning July 1, 1998, and ending June 30, 1999:
..... \$ 2,074,663
- 3. For the fiscal year beginning July 1, 1999, and ending June 30, 2000:
..... \$ 2,339,200

The department of public safety shall notify local law enforcement agencies and fire departments of the department's intent to purchase new radio equipment and shall allow any local law enforcement agency or fire department, which wishes to purchase with its own funds on the same purchase order, to participate in the joint purchase in order to purchase new radio equipment for the local law enforcement agency or fire department.

Notwithstanding section 8.33, unencumbered or unobligated moneys remaining on June 30, 2001, shall revert on August 31, 2001.

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

Sec. 16. There is appropriated from the rebuild Iowa infrastructure fund, notwithstanding section 8.57, subsection 5, paragraph "c", to the department of agriculture and land stewardship for the fiscal period beginning July 1, 1997, and ending June 30, 1999, the following amounts, or so much thereof as is necessary, to be used for deposit in the alternative drainage system assistance fund created in section 159.29A, if enacted by 1997 Iowa Acts, Senate File 473,* for purposes of supporting the alternative drainage system assistance program administered by the soil conservation division of the department of agriculture and land stewardship as provided in section 159.29B, if enacted by 1997 Iowa Acts, Senate File 473:*

- 1. For the fiscal year beginning July 1, 1997, and ending June 30, 1998:
..... \$ 1,500,000
- 2. For the fiscal year beginning July 1, 1998, and ending June 30, 1999:
..... \$ 1,500,000

As a condition of receiving the appropriations in this section, the department shall allocate seventy-five percent of the estimated or actual cost of improvements as defined by section 468.3, not to exceed five hundred thousand dollars each fiscal year, for a single drainage improvement project, which will provide alternative drainage outlets to allow for the closing of thirty or more agricultural drainage wells, constructed by a drainage district established under section 468.22 on or after July 1, 1987, and prior to July 1, 1997, for which a construction contract for the project is successfully let prior to March 1, 1998.

DEPARTMENT OF WORKFORCE DEVELOPMENT

Sec. 17. Notwithstanding section 8.57, subsection 5, paragraph "c", there is appropriated from the rebuild Iowa infrastructure fund to the department of workforce development for the fiscal period beginning July 1, 1997, and ending June 30, 1999, the following amounts, or so much thereof as is necessary, to be used for the integrated information system provided that none of the moneys appropriated in this section shall be used for personnel expenses not associated with the installation of the system or for training expenses:

- 1. For the fiscal year beginning July 1, 1997, and ending June 30, 1998:
..... \$ 700,000
- 2. For the fiscal year beginning July 1, 1998, and ending June 30, 1999:
..... \$ 300,000

* Chapter 193 herein

JUDICIAL DEPARTMENT

Sec. 18. There is appropriated from the rebuild Iowa infrastructure fund to the judicial department for the fiscal period beginning July 1, 1997, and ending June 30, 1999, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the fiscal year beginning July 1, 1997, and ending June 30, 1998, for planning for the relocation of judicial department offices out of the capitol:

..... \$ 150,000

*2. For the fiscal year beginning July 1, 1998, and ending June 30, 1999, contingent on the decision being made to relocate the judicial department's offices out of the capitol:

..... \$ 2,000,000

Notwithstanding section 8.33, moneys appropriated under subsection 2 remaining unobligated or unexpended at the end of the fiscal year, shall not revert until August 31, 2001.*

COMMISSION OF VETERANS AFFAIRS

Sec. 19. There is appropriated from the rebuild Iowa infrastructure fund to the commission of veterans affairs for the fiscal period beginning July 1, 1997, and ending June 30, 1999, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the fiscal year beginning July 1, 1997, and ending June 30, 1998, for expansion of the food preparation area and dining room at the veteran's home:

..... \$ 1,400,000

*2. For the fiscal year beginning July 1, 1998, and ending June 30, 1999, for expansion of the food preparation area and dining room and major maintenance at the veteran's home, provided that not more than \$850,000 shall be allocated for major maintenance projects:

..... \$ 2,750,000*

Notwithstanding section 8.33, the unencumbered or unobligated moneys remaining on June 30 of the fiscal year from the moneys appropriated in this section may be expended during the following fiscal year for the same purpose.

LOESS HILLS DEVELOPMENT AND CONSERVATION AUTHORITY

Sec. 20. There is appropriated from the rebuild Iowa infrastructure fund, notwithstanding section 8.57, subsection 5, paragraph "c", to the Loess Hills development and conservation authority for the fiscal year beginning July 1, 1997, and ending June 30, 1998, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For deposit in the Loess Hills development and conservation fund created in section 161D.2 for the purposes specified in section 161D.1:

..... \$ 742,500

IOWA STATE FAIR FOUNDATION

Sec. 21. There is appropriated from the rebuild Iowa infrastructure fund of the state to the Iowa state fair foundation for the fiscal period beginning July 1, 1997, and ending June 30, 1999, the following amount, or so much thereof as is necessary, to be used for renovation, restoration, and improvement projects on the state fairgrounds and for distributing in accordance with chapter 174, \$1,060,000 each fiscal year to qualified fairs which belong to the association of Iowa fairs:

For the fiscal year beginning July 1, 1997, and ending June 30, 1998:

..... \$ 5,460,000

*For the fiscal year beginning July 1, 1998, and ending July 1, 1999:

..... \$ 5,460,000*

* Item veto; see message at end of the Act

Notwithstanding section 8.33, the unencumbered or unobligated moneys remaining on June 30 of the fiscal year from the moneys appropriated in this section may be expended during the following fiscal year for the same purpose.

Sec. 22. Effective July 1, 1997, the departments of general services, workforce development, and public safety, and the commission on veterans affairs are authorized to enter into contracts for the full cost of carrying out the projects for which appropriations are made in this division of this Act. The state shall not be obligated for costs associated with contracts identified in this section in excess of funds appropriated by the general assembly.

DIVISION II
STATE BOARD OF REGENTS

Sec. 23.

1. There is appropriated from the rebuild Iowa infrastructure fund of the state to the state board of regents for the fiscal period beginning July 1, 1997, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the projects designated in subsection 2:

a. For the fiscal year beginning July 1, 1997, and ending June 30, 1998:	\$	19,500,000
.....		
b. For the fiscal year beginning July 1, 1998, and ending June 30, 1999:	\$	19,500,000
.....		
c. For the fiscal year beginning July 1, 1999, and ending June 30, 2000:	\$	19,500,000
.....		
d. For the fiscal year beginning July 1, 2000, and ending June 30, 2001:	\$	11,915,000
.....		

The state board of regents shall determine the amounts to be allocated to each project for each fiscal year of the fiscal period beginning July 1, 1997, and ending June 30, 2001, based upon project needs. However, the total appropriated funds for a project for all fiscal years of that fiscal period shall not exceed the amount listed in subsection 2 for that project.

2. The state board of regents is authorized to undertake, plan, construct, equip, and otherwise carry out the following projects at the institutions under the jurisdiction of the board in the following appropriated amounts:

a. For construction of the livestock infectious disease isolation facility at Iowa state university of science and technology:	\$	9,270,000
.....		
b. For construction and renovation of the medical education and biomedical research facilities at the university of Iowa:	\$	27,000,000
.....		
c. For renovation of Lang hall at the university of northern Iowa:	\$	12,900,000
.....		
d. For Phase II construction of the engineering teaching and research complex at Iowa state university of science and technology:	\$	20,900,000
.....		
e. For improvements to the lakeside laboratory complex:	\$	140,000
.....		
f. Conditioned upon the state board of regents allocating funding for building maintenance at the Iowa school for the deaf for the fiscal year beginning July 1, 1997, and ending June 30, 1998, in an amount equal to or greater than the amount of funding allocated for that purpose in the previous fiscal year, the following amount, to be used for a visual alert system and to address fire safety deficiencies at the Iowa school for the deaf:	\$	110,000
.....		

g. Conditioned upon the state board of regents allocating funding for building maintenance at the Iowa braille and sight saving school for the fiscal year beginning July 1, 1997,

and ending June 30, 1998, in an amount equal to or greater than the amount of funding allocated for that purpose in the previous fiscal year, the following amount, to be used for deferred maintenance at the Iowa braille and sight saving school:

..... \$ 95,000

3. Effective July 1, 1997, the state board of regents is authorized to enter into contracts for the full cost of carrying out the projects listed in subsection 2, for which appropriations are made in subsection 1, for the fiscal years beginning July 1, 1997, July 1, 1998, July 1, 1999, and July 1, 2000.

The state shall not be obligated for costs associated with contracts identified in this section in excess of funds appropriated by the general assembly.

4. a. Notwithstanding section 8.33, funds appropriated in subsection 1, paragraph "a", for the fiscal year beginning July 1, 1997, which remain unexpended as of June 30, 1998, shall be available for expenditure through June 30, 2002.

b. Notwithstanding section 8.33, funds appropriated in subsection 1, paragraph "b", for the fiscal year beginning July 1, 1998, which remain unexpended as of June 30, 1999, shall be available for expenditure through June 30, 2003.

c. Notwithstanding section 8.33, funds appropriated in subsection 1, paragraph "c", for the fiscal year beginning July 1, 1999, which remain unexpended as of June 30, 2000, shall be available for expenditure through June 30, 2004.

d. Notwithstanding section 8.33, funds appropriated in subsection 1, paragraph "d", for the fiscal year beginning July 1, 2000, which remain unexpended as of June 30, 2001, shall be available for expenditure through June 30, 2005.

The board of regents shall not submit a request to the governor or general assembly for funding from the rebuild Iowa infrastructure fund or other funds for capital projects, including funding for planning for capital projects, until fiscal year 2001, except for project or planning funding requested for the Iowa school for the deaf or the Iowa braille and sight saving school.

DIVISION III
COMMUNITY COLLEGE VOCATIONAL-TECHNICAL
TECHNOLOGY IMPROVEMENT PROGRAM

Sec. 24. NEW SECTION. 260A.1 COMMUNITY COLLEGE VOCATIONAL-TECHNICAL TECHNOLOGY IMPROVEMENT APPROPRIATION.

1. Notwithstanding section 8.57, subsection 5, paragraph "c", there is appropriated from the rebuild Iowa infrastructure fund created in section 8.57, to the department of education for each fiscal year of the fiscal period beginning July 1, 1997, and ending June 30, 2001, the sum of three million dollars for the community college vocational-technical technology improvement program.

2. Moneys appropriated in subsection 1 shall be allocated by the department of education to each community college in the proportion that the allocation to that community college in 1996 Iowa Acts, chapter 1215, section 6, subsection 15, bears to the total appropriation made in 1996 Iowa Acts, chapter 1215, section 6, subsection 15, to all community colleges.

3. For each year in which an appropriation is made to the community college vocational-technical technology improvement program, the department of education shall notify the department of revenue and finance of the amount to be paid to each community college based upon the allocation criteria set forth for the appropriation pursuant to subsection 2. Allocations to each community college under this section shall be made in one payment on or about October 15 and one payment on or about February 15 of the fiscal year in which the appropriation is made, taking into consideration the relative budget and cash position of the state resources.

4. Moneys received by a community college under this section shall not be commingled with general state financial aid, including financial aid to merged areas in lieu of personal

property tax replacement payments under section 427A.13, to merged areas as defined in section 260C.2, and including moneys received for vocational education programs in accordance with chapters 258 and 260C. Payments made to a community college shall be accounted for by the community college separately from other state aid payments. Each community college shall maintain a separate listing within its budget accounting for payments received and expenditures made pursuant to this section and section 260A.3.

5. Moneys received under this section shall supplement, not supplant, the moneys each community college budgets for technology. A community college may also use moneys received under this section for projects, as defined in section 8.57, subsection 5, paragraph "c", related to the acquisition or installation of technology. A community college shall not be eligible for funds under this section unless the community college, without including moneys received under this section, maintains the same average amount of expenditure for technology per year as the community college maintains during the fiscal period beginning July 1, 1994, and ending June 30, 1997.

6. Moneys received under this section shall not be used for payment of any collective bargaining agreement or arbitrator's decision negotiated or awarded under chapter 20.

Sec. 25. NEW SECTION. 260A.2 COMMUNITY COLLEGE VOCATIONAL-TECHNICAL TECHNOLOGY IMPROVEMENT PLANS.

Prior to receiving moneys under this chapter, the board of directors of a community college shall adopt a technology plan that supports community college vocational-technical technology improvement efforts, authorizes a needs assessment of business and industry in the district, and includes an evaluation component, and shall provide to the department of education adequate assurance that funds received under this chapter will be used in accordance with the technology plan. The plan shall be developed by licensed professional staff of the community college, including both faculty members and school administrators, the private sector, trade and professional organizations, and other interested parties, and shall, at a minimum, focus on the attainment of the vocational-technical skills and achievement goals of the student. The plan shall consider the community college's interconnectivity with the Iowa communications network, and shall demonstrate how, over a four-year period, the board will utilize technology to improve vocational-technical student achievement. The technology plan shall be kept on file at the community college. Progress made under the plan shall be reported annually to the department of education in a manner prescribed by the department of education.

Sec. 26. NEW SECTION. 260A.3 COMMUNITY COLLEGE VOCATIONAL-TECHNICAL TECHNOLOGY IMPROVEMENT EXPENDITURES.

A community college shall expend funds received pursuant to section 260A.1 for the acquisition, lease, lease-purchase, installation, and maintenance of instructional technology equipment used in vocational-technical programs, including hardware and software, materials and supplies related to instructional technology, faculty development and training related to instructional technology, and projects, as defined in section 8.57, subsection 5, paragraph "c", related to the acquisition or installation of technology funded through this chapter, and shall establish priorities for the use of the funds. However, funds received by a community college pursuant to section 260A.1 shall not be expended to add a full-time equivalent position or otherwise increase staffing.

Sec. 27. NEW SECTION. 260A.4 FUTURE REPEAL.

This chapter is repealed effective July 1, 2001.

**DIVISION IV
MISCELLANEOUS STATUTORY CHANGES**

Sec. 28. NEW SECTION. 7E.5A BUILDINGS AND INFRASTRUCTURE — MAINTENANCE FUNDING.

1. For each new vertical infrastructure project undertaken on or after July 1, 1997, the

department in control of the vertical infrastructure shall identify and recommend to the general assembly funding sufficient to meet the projected maintenance, repair, and replacement needs of the vertical infrastructure.

2. As used in this section, "vertical infrastructure" means the same as defined in section 8.57, subsection 5, paragraph "c".

***Sec. 29. NEW SECTION. 15E.176 MAIN STREET INVESTMENTS LOAN PROGRAM.**

The department shall adopt rules to implement a main street investments loan program to increase the availability of lower cost funds to stimulate building restorations or rehabilitations of historic buildings within the central business district of a city which is a certified local government, or in the Iowa main street program or the rural main street program. The rules shall include the following conditions:

1. *Investment loans shall be limited to projects for a building restoration or rehabilitation located in the central business district whose boundaries are the same as the main street or rural main street or central business district of a city which is a certified local government project area.*

2. *Eligible borrowers are limited to the property owner, contract purchaser of record, or long-term lessee.*

3. *Loan applications under this program shall be for the restoration or rehabilitation of buildings which are eligible or nominated or listed on the national register of historic places. Public buildings are excluded.*

4. *The maximum loan amount under the main street investments loan program is fifty thousand dollars per project.**

***Sec. 30. NEW SECTION. 15.177 APPLICATION PROCESS.**

Applicants shall be certified as eligible for assistance prior to submitting applications to the department for loans under the main street investment loan program. Administrative rules pursuant to chapter 17A shall be adopted by the department in consultation with the department of cultural affairs to require applicants to do the following:

1. *Show evidence of preliminary design assistance.*

2. *Show evidence of preliminary design review approval from the local design review committee.*

3. *Submit project plans and specifications prepared by a design professional with historic preservation experience.**

***Sec. 31. NEW SECTION. 18.24 COORDINATION OF VERTICAL INFRASTRUCTURE DATABASES.**

1. *The director shall establish by administrative rule, and as part of a survey conducted regarding the condition of state-owned property, a uniform system for evaluating and rating vertical infrastructure needs in the state so that the vertical infrastructure needs of each state entity and proposed vertical infrastructure projects, including the state board of regents, can be compared. The director shall consult with state entities which already have databases regarding their vertical infrastructure needs and shall seek input from individuals or organizations with expertise in public vertical infrastructure assessment in drafting proposed rules.*

2. *As used in this section, "vertical infrastructure" has the same meaning as in section 8.57, subsection 5, paragraph "c".**

Sec. 32. Section 174.1, subsection 1, Code 1997, is amended to read as follows:

1. **"Fair" shall mean ~~a bona fide exhibition of agricultural, dairy, and kindred products, livestock, and farm implements~~ an annual gathering of people that incorporates agricultural exhibits, shows, or competition which has the following activities:**

a. Extension, 4-H, or future farmers of America programs.

b. Commercial and educational exhibits.

c. Competition in the fine or home craft arts.

Sec. 33. Section 174.9, unnumbered paragraph 1, Code 1997, is amended to read as follows:

Each eligible society which is a member of the association of Iowa fairs and which conducts a county fair shall be entitled to receive aid from the state as provided in this chapter. In order to be eligible for state aid, a society must file with the ~~treasurer of state~~ Iowa state fair foundation, as established in section 173.22, on or before November 1 of each year, a statement which shall show:

Sec. 34. Section 174.9, subsection 4, Code 1997, is amended to read as follows:

4. A copy of the published financial statement published as required by law, together with proof of such publication and a certified statement showing an itemized list of premiums awarded, and such other information as the ~~treasurer of state~~ Iowa state fair foundation may require.

Sec. 35. Section 174.10, Code 1997, is amended to read as follows:

174.10 APPROPRIATION — AVAILABILITY.

1. ~~Each county shall receive an equal share of any moneys appropriated to support one or more societies conducting one or more county fairs in that county, if the society or societies are eligible for the state aid. Moneys~~ Any moneys appropriated for county or local fairs shall be paid directly to each eligible society which conducts a fair which qualifies for funding.

2. The association of Iowa fairs shall provide the ~~treasurer of state~~ Iowa state fair foundation with a list of each society in a county which is a member of the association and conducts a fair in that county as provided in this chapter. If a county has more than one fair, the association shall list the name of each society conducting a fair in that county for three or more years. The ~~treasurer of state~~ Iowa state fair foundation shall not authorize payment of state aid to a society, unless the society complies with section 174.9 and the name of the society appears on the association's list.

3. ~~If a county has more than one fair eligible for state aid, the~~ The amount of state aid for that county each fair which is eligible for state aid shall be divided equally among the eligible societies in that county equal.

4. If no society in a county qualifies to receive state aid, that county's share shall be divided equally among the counties with societies eligible for state aid, as provided in this section.

5. ~~If an official county fair is designated by election, the total amount of state aid for that county shall be paid to that society determined to be conducting the official county fair.~~ The board of supervisors, upon receiving a petition seeking to designate an official county fair which meets the requirements of section 331.306, shall submit to the registered voters of the county at the next general election following submission of the petition or at a special election if requested by the petitioners at no cost to the county, the question of which fair shall be designated as the official county fair. Notice of the election shall be given as provided in section 49.53. The fair receiving a majority of the votes cast on the question shall be designated the official county fair.

Sec. 36. Section 174.12, unnumbered paragraph 1, Code 1997, is amended to read as follows:

The department of revenue and finance shall issue a warrant to a society for the amount due in state aid, less five hundred dollars, as provided in this chapter. The ~~treasurer of state~~ Iowa state fair foundation must certify to the department that the society is eligible under this chapter to receive the amount due provided in section 174.10. The department shall issue a warrant to the society for the remaining five hundred dollars, if all of the following apply:

Sec. 37. **NEW SECTION.** 461A.3A RESTORE THE OUTDOORS PROGRAM.

1. The department shall establish a restore the outdoors program. The purpose of the program is to provide funding for projects involving existing vertical infrastructure as de-

fined in section 8.57, subsection 5, paragraph "c", or the construction of new vertical infrastructure if the new construction is required due to increased demand for facilities at the park or if it is not cost-effective to repair or renovate the existing vertical infrastructure. Projects shall be limited to existing state parks and other public facilities managed by the department.

2. There is appropriated from the rebuild Iowa infrastructure fund for each fiscal year of the fiscal period beginning July 1, 1997, and ending June 30, 2001, the sum of four million dollars to the department for use in the restore the outdoors program **of which, one million dollars shall be used to fund projects in parks of governmental subdivisions which are connected by a recreational trail to a state park or the state recreational trail system.** Notwithstanding section 8.33, unencumbered or unobligated moneys remaining at the end of a fiscal year shall not revert but shall remain available for expenditure during the following fiscal year for purposes of the restore the outdoors program.

The department shall provide in its annual budget documentations to the governor and general assembly a report on the use of moneys under the program since the last report and the projected use of future moneys.

Approved May 29, 1997, except the items which I hereby disapprove and which are designated as Section 2, subsection 4 in its entirety; that portion of Section 3 which is herein bracketed in ink and initialed by me; Section 4, subsections 5 and 6 in their entirety; Section 6 in its entirety; Section 7, subsection 1, paragraphs b and d in their entirety; Section 7, subsection 2, paragraph a in its entirety; Section 9 in its entirety; that portion of Section 18 which is herein bracketed in ink and initialed by me; Section 19, subsection 2 in its entirety; that portion of Section 21 which is herein bracketed in ink and initialed by me; Sections 29, 30, and 31 in their entirety; and that portion of Section 37, subsection 2 which is herein bracketed in ink and initialed by me. My reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the Secretary of State this same date, a copy of which is attached hereto.

TERRY E. BRANSTAD, Governor

Dear Mr. Secretary:

I hereby transmit House File 733, an Act making appropriations from the rebuild Iowa infrastructure fund to the departments of cultural affairs, general services, economic development, public defense, natural resources, revenue and finance, public safety, education, transportation, workforce development, and agriculture and land stewardship, and to the commission of veterans affairs, Loess Hills development and conservation authority, state fair foundation, and state board of regents, making an appropriation of marine fuel tax receipts from the general fund of the state, and making statutory changes relating to the appropriations.

House File 733 is the only bill that appropriates funds on a biennial basis, a positive step in the direction of a biennial budget. Although spending in the bill is \$21 million above the level I recommended, House File 733 does not contain the large number of special interest items included in infrastructure bills in the past.

There are several serious shortcomings in House File 733. Major maintenance is one of the key areas needing a steady stream of funding, and yet no funds are provided for this purpose in the second year. Also, numerous projects are included in the bill that are seriously underfunded. For both of these reasons — to make major maintenance funds available in the second year and to ensure all projects are fully funded — I have aggressively identified places where spending can be cut. As a result of the following vetoes, nearly \$20 million will be available to appropriate for these purposes in fiscal year 1999.

* Item veto; see message at end of the Act

House File 733 is, therefore, approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the items designated as section 2, subsection 4, in its entirety; the designated portion of section 3; section 4, subsection 6, in its entirety; and the designated portion of section 18. These items would appropriate and allocate funds to support the relocation of the courts to the old historical building. The courts will be reviewing their overall space needs during the legislative interim. It is premature to assume that the courts will be relocating to the old historical building, when other options will likely be considered. Further, the total costs associated with such a move have not yet been determined. The effect of the item veto in section 3 is to make the entire \$4.1 million available for renovation of the old historical building in fiscal year 1998.

I am unable to approve the item designated as section 4, subsection 5, in its entirety. This item would appropriate \$1.5 million in fiscal year 1999 for repair of parking lots on the capitol complex. I recognize the need for parking lot repairs and, elsewhere in this bill, I am approving \$730,750 in fiscal year 1998 for this purpose. However, funding for parking lot repair work in future years should be determined based on the prioritization of all major maintenance needs. By vetoing this item, funding will be available for overall major maintenance needs in fiscal year 1999.

I am unable to approve the item designated in section 6, in its entirety. This item would require the Department of General Services to consult with the legislature prior to contracting for an infrastructure needs assessment. Contracting for such purposes is more appropriately an executive branch responsibility.

I am unable to approve the items designated as section 7, subsection 1, paragraphs b and d, in their entirety; section 7, subsection 2, paragraph a, in its entirety; section 29, in its entirety; section 30, in its entirety; and the designated portion of section 37, subsection 2. These items would appropriate \$500,000 in fiscal year 1998 and \$2.5 million in fiscal year 1999 for a historic site preservation grant program, \$200,000 for a main street investment loan program, and \$1 million per year to local parks. While great strides have been made in the past few years to take care of state infrastructure needs, a large backlog still exists. Although these local projects may have merit, they should not be funded from the Rebuild Iowa Infrastructure Fund.

I am unable to approve the item designated as section 9, in its entirety. This item would reduce the fiscal year 1998 appropriation to the Physical Infrastructure Assistance Program from \$6.1 million to \$4.13 million. This program is an important economic development tool and, given the April 1997 upward adjustment in the estimate of funds available to the Rebuild Iowa Infrastructure Fund, the \$6.1 million appropriation should be maintained.

I am unable to approve the item designated as section 19, subsection 2, in its entirety. This item would appropriate \$2.75 million in fiscal year 1999 to the Iowa Veterans Home (IVH). I support making improvements to the IVH and I am approving the fiscal year 1998 appropriation in this bill for the dining room project. I will also be recommending an additional \$900,000 in each of the fiscal years 1999 and 2000 to complete this project. Other parts of the IVH five-year capital plan should be considered along with the major maintenance needs of all the other state institutions.

I am unable to approve the designated portion of section 21. This item would appropriate \$5.46 million to the Iowa State Fair Foundation for fiscal year 1999, the majority of which would be used to enclose the Varied Industries Building. I strongly support the state fair renovation and development project. I was involved in establishing the Iowa State Fair Foundation and have personally assisted in the foundation's fund-raising. In fiscal years 1995, 1996, and 1997, I approved \$14.5 million in appropriations for renovation projects. In fiscal year 1998, I am approving \$4.4 million for the state fair in this bill. Before approving

additional funds in fiscal year 1999, I would encourage the foundation to explore opportunities with the private sector for a joint venture on this project.

I am unable to approve the item designated as section 31, in its entirety. This item would require the Department of General Services to establish a system for comparative evaluation and rating of all state vertical infrastructure needs, including the Board of Regents institutions. I am disappointed the legislature chose not to establish a citizen board as recommended by the Fisher Commission nor to provide adequate staff to allow the state to become more systematic in its approach to prioritizing infrastructure needs. I believe the board and the additional staffing are necessary prerequisites to developing a comparative evaluation methodology.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 733 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, Governor

CHAPTER 216

PROPOSED CONSTITUTIONAL AMENDMENT — EQUAL RIGHTS

H.J.R. 5

Second Time Passed

A JOINT RESOLUTION proposing an amendment to the Constitution of the State of Iowa relating to the equality of rights of men and women under the law.

Be It Resolved by the General Assembly of the State of Iowa:

Section 1. The following amendment to the Constitution of the State of Iowa is proposed.

Section 1 of Article I of the Constitution of the State of Iowa, is amended to read as follows:

RIGHTS OF PERSONS. Section 1. All men and women are, by nature, free and equal, and have certain inalienable rights – among which are those of enjoying and defending life and liberty, acquiring, possessing and protecting property, and pursuing and obtaining safety and happiness.

Sec. 2. The foregoing proposed amendment, having been adopted and agreed to by the Seventy-sixth General Assembly, 1995 Session, thereafter duly published, and now adopted and agreed to by the Seventy-seventh General Assembly in this joint resolution, shall be submitted to the people of the State of Iowa at the general election in November of the year nineteen hundred ninety-eight in the manner required by the Constitution of the State of Iowa and the laws of the State of Iowa.